Differences Between Ifrs And German Gaap

We address three research questions motivated by the recent ascent of International Financial Reporting Standards (IFRS) in Europe. First, analyzing the determinants of voluntary IFRS adoption by publicly traded German firms during the period 1998-2004, we find that size, international exposure, dispersion of ownership, and recent IPOs are important drivers. Second, using the results from this determinant model to construct propensity score-matched samples of IFRS and German-GAAP (HGB) firms, we document significant differences in terms of earnings quality: IFRS firms have more persistent, less predictable and more conditionally conservative earnings. Third, analyzing information asymmetry differences between IFRS and HGB firms, we show that IFRS adopters experience a decline in bid-ask spread of 70 base points and an average of 17 more days with price changes per year. On the other hand, IFRS adopter's stock prices seem to be more volatile. In the light of some important limitations of our study, we discuss IFRS-related research opportunities in post-2005 Europe.

Research Paper (undergraduate) from the year 2008 in the subject Business economics - Business Management, Corporate Governance, grade: 1,3, University of applied sciences, Munich, language:

English, abstract: Due to a regulation of the European Union (EU) concerning financial accounting issued on June 6th, 2002, all listed companies in EU are obligated to provide their Consolidated Financial Statements (CFS) in accordance with financial accounting principles of International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS) from January 1st, 2005. This regulation enables a necessary harmonization of accounting principles within the EU and supports a clear comparability of CFS worldwide. The object of this study is to analyze major differences of CFS in German GAAP and IAS/IFRS. Thereby, variations of both accounting standards are compared and a major difference is explained thoroughly with a concrete example. The major differences of CFS in IAS/IFRS and German GAAP result from different aims of both accounting standards. The German GAAP is strongly based on prudence principle for protection of creditors and authoritative principle (tax accounting based on commercial accounting). In comparison, the IAS/IFRS deliver potential investors realistic and decision useful information about assets, finance, and profit situations of a company (true and fair view / fair presentation principle). These basic principles could be reflected in several key points of the both accounting standards whose differences are clarified in this study. Furthermore, an essential key point of CFS namely the basis of consolidation

(contains enterprises included in the consolidation and capital consolidation methods) is illuminated with a concrete example. Hereby, the relation between the control influence of the parent enterprise on its "sub-entities" and the correspondent capital consolidation methods are studied.
Essay from the year 2003 in the subject Business economics - Accounting and Taxes, grade: 1,5 (A), Oxford Brookes University (Business School), course: International Financial Accounting, 37 entries in the bibliography, language: English, abstract: This essay will compare and contrast the accounting systems of Germany and the United States of Amerika. First the single systems, their core concepts and purposes will be introduced. Second, the two core concepts of conservatism and true and vair value will be presented. Both systems will be examined in order to show how they incorporate these concepts and how this might affect the calculation of profits. Where data is available, selected examples from published company accounts will be shown. Finally some short comments on how the systems come closer to each other since several german companies aim for crosslistings in both countries. A conclusion will summarize the main facts. Different accounting systems might come to different results in their calculations of profits. This can be shown by drawing an example from the Siemens AG's annual report 2000. In their

report based on German GAAP (General Accepted Accounting Principles) the net income in 2000 was 7,901 million €. The same calculation based on U.S. GAAP amounts in the F-20 report for the Securities and Exchange Commission (SEC) to 8,860 million € (see figure 1). Now the Question is how come this difference of nearly 14%? Is one system more exact? [...] As we have seen in assignment 1, accounting is not a science. It has been developed to serve a purpose. Accounting systems are influenced by several social and economic factors (Radebaugh and Gray, 1997). [...] It seems that German GAAP and US GAAP have different objectives. Therefore we will analyze the two systems in their national contexts now.

Master's Thesis from the year 2006 in the subject Business economics - Accounting and Taxes, grade: 1.5, University of Applied Sciences Fulda, language: English, abstract: In recent years, the applicable accounting standards for companies changed considerably. Until the 1990s, the development of accounting standards was mainly a national responsibility. In consequence, the standards were influenced by national factors. Therefore, there was much divergence among domestic accounting standards. Only in recent years, there is a strong trend to the convergence of domestic accounting standards. The International Financial Reporting Standards (IFRS) play a major role in this convergence process. The IFRS have influence on the

convergence process in two ways. On the one hand, some countries require the use of IFRS or an adjusted version of IFRS for all domestic companies or for segments of domestic companies, for example listed companies. On the other hand, some countries converge their domestic accounting standards with IFRS. In a survey of fifty-nine countries conducted by the major accounting firms in 2002, 90% of these countries confirmed that they intend to adopt or converge with IFRS. One of the most important decisions in this convergence process was the passing of a regulation by the commission of the European Union (EU) in 2002. This regulation requires that all listed companies in the EU must present their consolidated financial statements in accordance with IFRS for financial years beginning on or after 1 January 2005. What are the reasons for this convergence process? The main reason is that companies and investors increasingly conduct their operations on a global scale, but the legal and regulatory frameworks for their reporting activities remain country based. So, the companies have to apply many different accounting standards for the reporting of their subsidiaries in different countries. On the one hand this incurs additional costs for multinational companies and on the other hand it is more difficult for investors to compare investment opportunities globally. The convergence of accounting standards reduces definitely the costs of

multinational companies. However it is not obvious, if financial reports in accordance with IFRS of companies from different companies are really comparable. The International Accounting Standards Board (IASB) is responsible for the development of IFRS. In order to get worldwide acceptance of IFRS, the IASB provides many interest groups and countries the opportunity to participate in the standardsetting process. [...]

According to German Commercial Code and International Financial Accounting Standards

An Empirical Analysis on the Frankfurt Stock Exchange

An Empirical Examination of Public and Private German Firms

Applying IFRS in Germany

A comparison and contrast of German and international financial reporting issues. Fair Value Accouting - current issues and possible solutions

IFRS for Small and Medium-Sized Enterprises

Seminar paper from the year 2009 in the subject Business economics - Accounting and Taxes, grade: 1,7, AKAD University of Applied Sciences Stuttgart, course: IFRS, language: English, abstract: 1 Introduction In a global economy there is a need for common accounting rules. It is simply important for an enterprise to know that national and international stock exchange rules require the application of internationally accepted accounting directives. So there are

several good reasons for a trend towards internationalization. For an investor means internationaliza-tion usually accompanied by a standardization of accounting rules that he can compare financial statements quicker and easier. There are no longer time- consuming and ex-pensive conversions of financial statements necessary. Internalization means also that the national differences in the determination of profit will disappear. Standardization would give the term "profit" substance and would allow the comparison of financial statements of different enterprises from several countries. In the European Union enterprises have a special responsibility since 2005. On the 12th of March 2002 the European Parliament endorsed the EC Commission's proposal that all EU listed companies must follow standards issued by the International Accounting Standards Board (IASB) in their consolidated financial statements starting no later than 2005. In this assignment I want to give a short overview about what the main principles of the International Financial Accounting Principles (IFRS) are all about and what differences to the German Statutory Accounting Rules (HGB) can be distinguished (chapter 2). Then I want to focus on the accounting of deferred taxes under IFRS (chapter 3). After a definition of deferral I want to explain the concepts and methods of deferral in this part. Finally I will have a closer look on deferred tax assets and deferred tax liabilities. Research paper from the year 2010 in the subject Business economics - Accounting and Taxes, grade: 1,0, University of Applied Sciences Regensburg (Betriebswirtschaft), course: Internationale Rechnungslegung (International Accounting), language: English, abstract: Globalization continues, even in international reporting. There are many efforts for an *international harmonization of financial reporting, even at capital markets of the United States of America. The globalization requires transparent accounting and reporting standards for an efficient market transfer of goods and services. And there has been still reached nearly a harmonization of consolidated financial statements of capital market oriented companies through IFRS. But does also German small and mediumsize enterprises (SMEs) require the same harmonization for its daily business or does there are more drawbacks as advantages for them?*

Document from the year 2008 in the subject Business economics - Accounting and Taxes, , 140 entries in the bibliography, language: English, abstract: The study consists apart from the introduction of five main chapters. In the following Chapter Two of the study, references are outlined for conducting international tax burden comparisons. In the process, not just relevant requirements but also the benefits and drawbacks of each method are described. Subsequently, selection follows of the analysis method to apply herein. This is complemented by an outline of the UK and German tax systems and of key determinants that shape the tax law in each case. Finally valid corporation tax regulations are characterised for the United Kingdom and Germany respectively. This mainly entails a description of individual tax liability and a breakdown of the broad structure of the tax assessment bases. In Chapter Three, comparative examination is conducted of tax assessment bases for selected balance sheet items in the United Kingdom and in Germany respectively. In the first part of the chapter in reference to the authoritative principle under which tax regulations refer to *commercial accounting regulations, initially the commercial accounting framework concepts are analysed applicable in the countries. In order to avoid differentiation uncertainties in the second part of the chapter, the general recognition criteria and value measures are discussed for balance sheet items. In the last and most extended section, finally a qualitative examination is conducted of balance sheet items from tax point of view. The balance sheet items concerned have been split for examination purposes generally according to the country between the United Kingdom and Germany as well according to respective item classes of definition, recognition, measurement and disposal. In conclusion to each partial examination, key similarities and differences are summarised and assessed applying qualitative perspective. In Chapter Four, the comparative assessment is extended to also comprise profit and loss items. The approach applied refers to the cost method structure, comprising apart from qualitative examination of tax treatment of selected profit and loss items also an analysis of general treatment of revenues and deductions respectively. Further the treatment of tax losses is discussed in the United Kingdom and in Germany respectively. Applicable corporation tax rates in the United Kingdom and in Germany are examined from both the qualitative and quantitative perspectives in Chapter Five. [...]*

Wissenschaftlicher Aufsatz aus dem Jahr 2011 im Fachbereich Jura - Zivilrecht / Handelsrecht, Gesellschaftsrecht, Kartellrecht, Wirtschaftsrecht, -, Sprache: Deutsch, Abstract: Leasing is more and more understood as a modern form of financing of various assets, both in the commercial and the private sector. Leases have now become an integral *part of economic life. With their multiple creative possibilities and variations, leases are an equitable alternative to buying and renting for companies. The diversity of different forms of leasing, and the fact that there is no uniform lease contract as a reference, results in lease accounting being one of the most difficult areas of accounting under almost all jurisdictions. [1] This diversity leads to an accounting system for leasing business with different possibilities to allocate positions in the P & L and balance sheet. Due to the lack of specific rules, leasing accounting is mostly based on general accounting principles. [2] In Germany, relevant tax decrees have impact on the local accounting. Leases are, in principle, not fixed on legal contract types, and this allows temporary grant of use and utilization of liquidity-friendly financing alternatives in the balance-sheet. Since most major accounting systems presuppose exclusion of pending transactions from the balance sheet, [3] companies used contracts for grant of use, such as lease, deliberately to influence the accounting. For example, sale and leaseback transactions are used to reduce the balance-sheet debt, though the physical property mapping has not changed. [4] The current lease accounting under IFRS 17 of the IASB is to be understood as a reaction to the existing situation in the various accounting systems. The aim of the standard setter was to capture the major part of the grant of use in the balance sheet. All postings, which change the asset allocation similar to an investment, should also be accounted as such. [5] The concept of economic ownership divides*

Private Company Limited by Shares

International and Critical Perspectives on Accounting

Value Relevance of German Gaap and IFRS Consolidated Financial Reporting
An Italian-German Comparison
Valuation of Assets in German Start-Up Balance
A comparison of leasing according to the treatment of different accounting principles and diverse treatment in loacal GAAP ?s of major industrial countries

Bachelor Thesis from the year 2008 in the subject Business economics - Accounting and Taxes, grade: 1,0, University of the West of England, Bristol (Bristol Business School), course: Accounting in Context, language: English, abstract: This report addresses the question whether unlisted German companies should voluntarily adopt IFRS. Benefits for internal as well as external users are discovered including facilitated international comparability and higher quality of financial reports. Furthermore, a comparison reveals that equity figures and volatility are higher under IFRS than under German GAAP. It is discovered that national economic and political circumstances significantly influence reporting practices and thus quality and comparability. Combined with fair value accounting which is of lower reliability as there are no active markets from which values can be derived, IFRS not necessarily seems to be a better alternative compared to German GAAP. Moreover, because IFRS is primarily intended for listed companies and investors' needs, IFRS only appears to be an alternative for non-listed companies that plan a listing. In general, the complex and costly implementation process must be outweighed thoroughly. If costs prevail other possibilities represent IFRS for SMEs or the continuation of German GAAP.

The dissertation examines whether the introduction of international financial reporting standards (IFRS) deteriorated public German firms' financial statement quality. The dissertation measures financial statement quality with earnings' predictive power with regard to forecasting operating cash flow and develops a disaggregated earnings-based cash flow forecasting model, thereby making a considerable contribution to the empirical financial accounting literature as only a few studies proxy financial statement quality this way. The disaggregated earnings-based cash flow forecasting model explains future operating cash flow with components of current earnings. These components are: current operating cash flow and current accruals. Current accruals are: depreciation expense, amortization expense, provisions, accounts receivable, inventory, and accounts payable. Given that IFRS, relative to the Third Book of the German Commercial Code (Handelsgesetzbuch, HGB), grants management a significantly larger margin of discretion with regard to the measurement of accruals and given the insight from agency theory that management seeks to maximize their own wealth instead of the wealth of principals, the dissertation hypothesizes that the predictive power of earnings declines following the IFRS introduction. The IFRS introduction constitutes a natural experiment as it divides the universe of German firms into a treatment group "public German firms being subject to the policy change" and a control group "private German firms not being subject to the policy change. The dissertation uses this natural experiment and investigates the IFRS effect under a difference-in-differences design. The use of this design constitutes another contribution to the literature as it is rarely used in IFRS-related research. The dissertation uses panel data provided by Deutsche Bundesbank's USTAN database, thereby making another contribution to the literature as this.

This book is both a reference book on Germany's financial system and a contribution to the economic debate about its status at the beginning of the twenty-first century. In giving a comprehensive account of the many facets of the system, it covers corporate governance, relationship lending, stock market development, investor protection, the venture capital industry, and the accounting system, and reports on monetary transmission and the credit channel, regulation and banking competition,the insurance and investment industry, and mergers and acquisitions. Special chapters at the beginning and at the end of the book adopt the financial system perspective, analysing the mutual fit of different features of the financial system; and each of the fifteen chapters addresses particular myths that surround it. The book is invaluable for those who want to understand the German economy and its financial system, promising not only a compilation of facts and statistics on Germany's financial markets and institutions, but also an analysis of its current structure and the determinants of its future development.

It seems logical to assume that GAAP aimed at informing investors shows a higher association with share prices (value relevance) than GAAP aimed at protecting creditors. The majority of empirical studies support this assumption. This paper examines the value relevance of IFRS and German GAAP. Regression analyses are applied to companies listing on the Frankfurt Stock Exchange and publishing exclusively either IFRS or German GAAP consolidated financial reports over the period 2000-2004. As a result of Regulation (EC) No 1606/2002, comparative research becomes impossible after 2004: German GAAP will no longer exist on European stock exchanges. The paper's study is restricted to a single capital market in order to eliminate pricing differences between capital markets based in different countries; that has already been done in earlier research. Improved circumstances for investigating value relevance compared with prior research are, however, the selection criteria for the listed companies (emphasis on international transparency requirements, free float and free float market capitalisation) and the share prices used (average price around the end of the business year when the financial reporting data is not yet published). The results of the study show that German GAAP is significantly more value relevant statistically than IFRS. These results have to be interpreted in the light of the selection criteria. It is an unexpected outcome calling for further research.

The Interpretation of Uncertainty Expressions in IFRS

The Routledge Companion to Financial Accounting Theory

U.S. GAAP and German HGB - A comparative Approach

Determinants and Consequences

Critical Impact Analysis on Small- and Medium-Sized Entities (SMEs)

IFRS Adoption, Reporting Incentives, and Financial Reporting Quality in Private Firms

Richard Wittsiepe analyses the relevant IFRS statements with a view to possibly integrating them into existing workflows in an annual audit. He weighs the key issues of conversion by comparing them with the 4th EU Directive for accounting within the EU. The aim is to visualise the workflows as the basis for creating support software which can make a key contribution to cost-effective conversion.

The Fourth Edition of International Accounting provides an overview

of the broadly defined area of international accounting, but also focuses on the accounting issues related to international business activities and foreign operations. This edition also includes substantially updated coverage of the International Accounting Standards Board (IASB) and International Financial Reporting Standards (IFRS). The unique benefits of this textbook include its up-to-date coverage of relevant material, extensive numerical examples provided in most chapters, two chapters devoted to the application of International Financial Reporting Standards (IFRS), and coverage of nontraditional but important topics such as strategic accounting issues of multinational companies, international corporate governance, and corporate social responsibility reporting.

Seminar paper from the year 2004 in the subject Business economics - Accounting and Taxes, grade: 1.7, University of Bayreuth (School of Law, Economics and Business Administration), course: 'business taxation and auditing' , 35 entries in the bibliography, language: English, abstract: Huge changes arose in the world of economy during the last decade. Due to globalisation and competition for scarce capital1 a heightened discussion regarding different national

accounting policies emerged. There has been an intensive controversy between continental-European and Anglo-American based accountancy. All companies listed on a stock exchange in the EU are obliged to present their group accounts in accordance with IAS/IFRS2 from 2005 on. One crucial aspect of IRFS focuses on the increasing tendency to recognise a fair value which implies a departure from historical cost-based financial statement to a rather market value-based one. Subsequently, this paper introduces and compares the current valuation bases of the German commercial/tax law and IRFS. Because of the increasing importance of IFRS the major point reflects this consideration. Finally, contrasts will be emphasised and opportunities for a complete takeover of an advanced fair value accounting to German accountancy will be examined. For this reason a reference to the general objectives and principles both of the accountancies is inevitable and will be introduced in either case.
The main goal of International Financial Reporting Standards (IFRS) is to be a global accounting standard which is applied similarly all over the world and hence aims to enable global comparability of financial information. The aim of this thesis is to evaluate whether the IFRS can

be considered globally applicable by taking into consideration the impact of different cultural and linguistic backgrounds on the interpretation of uncertainty expressions used in IFRS. The focus hereby lies on German and Italian speaking auditors and accounting students. In order to gain individual percentage estimates regarding some chosen uncertainty expressions from both language groups and to test if there exist significant differences, a survey was conducted. The results obtained support earlier research findings conducted in the context of other nationalities: first, there are significant differences in the interpretations of the vague meanings between the two aforementioned language groups Italian and German. Second, the two factors causing these differences (language-culture and translation effect) which were already identified in prior studies could be confirmed. Hence, this thesis provides evidence for the fact that the interpretation of uncertainty expressions differs between Italian and German speaking IFRS users. Therefore, the intended consistent application and interpretation of IFRS can be questioned. In conclusion, future research should investigate on possible solutions within the context of global education for auditors as well as the

development of standards development and their translation process by International Accounting Standards Board (IASB) in order to increase the level of consistent interpretation and application of IFRS.
Globalisation and Contextual Factors in Accounting
Selected Essays of Philip Brown
The Impact of the German Accounting System and Culture on the Application of the International Accounting Standards (IAS-IFRS)by German Companies
Expeditious implementation of IFRS for german small and medium-size enterprises (SMEs) - an analysis
The German Financial System
An Analysis of Tax Accounting Rules in the United Kingdom and Germany

Inhaltsangabe:Abstract: This case study deals with an important financial aspect of multinational companies, i.e. their obligation of accounting. Until the year 2000, BMW used to prepare its annual external audits under German Commercial Code Standards (HGB). This tradition ended in 2000, when BMW accounted under International Accounting Standards (IAS) for the first time. 7 years before, Mercedes-Benz was the first German automotive manufacturer adopting international Standards in 1993. But in Mercedes case US-Generally Accepted Accounting Principles (US-GAAP) were chosen, because the objective was to *become listed at the New York Stock Exchange (NYSE). At this time US-GAAP were not accepted outside the North American Free Trade Association (NAFTA), esp. not by the EU Commission, but the US-Principles were applied in the largest and most important stock market worldwide. On the other hand, US organizations like the Securities and Exchange Commission (SEC) did not accept any other accounting standards in these days. Accordingly, Mercedes-Benz had to prepare two annual audits: one under US-GAAP and the other under HGB. This treatment, obviously, was highly inefficient, providing lots of encumbrances to US-capital-seeking European companies: accounting and auditing took too much time, personnel resources and money. Another negative effect was that many US companies hesitated with urgently required investments in Europe. But nevertheless, multinational groups seemed to have several advantages by using international accounting standards, even if they had to prepare more than one audit annually. Within the 1st part, this case study provides basic information dealing with accounting standards, in particular reasons and objectives, organizational patterns and the process of IAS becoming international accepted by pointing out their most important differences compared to US-GAAP and German HGB Standards. The 2nd part deals with the reasons of changing BMW s accounting standards by looking at the Group s key markets and the impact of IAS-adoption by examining their figures of non current assets, inventories, other current assets, liabilities & deferred incomes, provisions, equity as well as research & development within a four years comparison. At last the 3rd part gives an examination and summary of the results of IAS-reception for BMW, the effects on the stock market, changes of rating on the global market and gives hints to future [...]*

Seminar paper from the year 2004 in the subject Business economics - Accounting and Taxes, grade: 1,7, University of Bayreuth, 52 entries in the bibliography, language: English, abstract: Although accounting for company pension schemes is one of the most controversial topics of discussion in the international accounting trade, many investors do not pay it due attention. In future, even more so than now, annual results will be influenced by latent reserves and obligations, resulting from different ways of accounting for pension benefit schemes. German financial statements and those following either IAS or US-GAAP often differ significantly on this point. The International Accounting Standards and the German Commercial Code are based on different principles. Whereas German regulations are dominated by the imperative of the protection of creditors, IAS lay the focus of accounting on a true and fair view of financial statements in order to provide a suitable basis for investment decisions. These divergent priorities are reflected in the accounting for pensions as well. The two main problems in accounting for pensions are the recognition and the appraisal of pension provisions. Eventually both accounting systems face the same problems and each one has a different way of resolving them. On the other hand, HGB and IAS unanimously agree on the fact that company pension schemes that do not require pension provisions, do not represent an accounting problem. The objective of the treatise on hand is the depiction of the difference between IAS and HGB regarding the recognition and accounting for pension as well as the resulting accounting-effects on the balance-sheet. The paper will first try to give an overview of the term 'pensions' as it is used in German law and in the IAS, and then - in the second part of the bases- explain the underlying problematic nature of accounting for pensions. In the third and fourth part the respective regulations, *first according to German law an*

It seems logical to assume that GAAP aimed at informing investors show a higher association with share prices (value relevance) than GAAP aimed at protecting creditors. The majority of empirical studies support this assumption. This paper examines the value relevance of IFRS and German GAAP. Regression analyses are applied to companies listing on the Frankfurt Stock Exchange and publishing exclusively either IFRS or German GAAP consolidated financial reports over the period 2000-2004. As a result of Regulation (EC) No 1606/2002, comparative research becomes impossible after 2004: German GAAP will no longer exist on European stock exchanges. The paper's study is restricted to a single capital market in order to eliminate pricing differences between capital markets based in different countries; that has already been done in earlier research. Improved circumstances for investigating value relevance compared with earlier research are, however, the selection criteria for the listed companies (emphasis on international transparency requirements, free float and free float market capitalisation) and the share prices used (average price around the end of the business year when the financial reporting data is not yet published). The results of the study show that German GAAP is significantly more value relevant statistically than IFRS. These results have to be interpreted in the light of the selection criteria. It is an unexpected outcome calling for further research.

This book, dedicated to Prof. Jacques Richard, is about the economic, political, social and even environmental consequences of setting accounting standards, with emphasis on those that are alleged to be precipitated by the adoption and implementation of IFRS. The authors offer their reasoned critiques of the effectiveness of IFRS in promoting genuine global *comparability of financial reporting. The editors of this collection have invited authors from 17 countries, so that a great variety of accounting, auditing and regulatory cultures, and educational perspectives, is amply on display in their essays.*

The adoption of International Accounting Standards in Germany

Accounting for leases

Leasing in the light of HGB, US GAAP and IFRS

The Effects of Accounting Standards on the Financial Reporting Properties of Private Firms - Evidence from the German Accounting Law Modernization Act

Introduction of IAS / IFRS by the BMW AG in 2000

IFRS in a Global World

The chapters offer some important new insights into issues that will be of interest not only to the academic community but also to professionals involved in the preparation, structure and execution of such transactions, market regulators, and private a

This paper critically examines the impact of voluntary adoption of Internationally Accepted Accounting Principles (IAAP, i.e. IAS/IFRS and US GAAP) on the cost of equity capital in Germany. We find that (1) overall cost of equity capital estimates in the Capital Asset Pricing Model (CAPM)

for companies applying IAAP are significantly lower compared to those applying German GAAP, (2) an enhanced multifactor model which incorporates the accounting regime differences (called GM model) absorbs the cost of equity capital differences, and (3) changes of the institutional background in Germany and of the accounting standards lead to different cost of equity capital effects for sub-periods of the 1998-2004 voluntary adoption period, while particularly controlling for effects like self-selection, cross-listing, and New Market (Neuer Market) listing.The central thesis advanced in this paper is that changes in the accounting standards and the institutional infrastructure can influence the impact of applying IAAP. Therefore, we suggest to incorporating an accounting factor into the cost of equity capital analysis.

This study investigates whether the 2009 German Accounting Law Modernization Act has affected the reporting and accounting practices of German private firms. In reforming German accounting standards, numerous accounting options

were deleted, several accounting rules were transferred from IFRS to German GAAP with some modifications, and disclosure requirements were extended. In our analysis, we examine the changes in financial reporting and their effects on disclosures. We use four financial reporting property measures: discretionary accruals, the correlation between operating cash flow and accruals, the persistence of earnings, and the predictability of earnings. The results reveal no change across all financial reporting properties. Examining disclosure compliance for capitalized development costs and other provisions reveals substantial variation in compliance.

Seminar paper from the year 2004 in the subject Business economics - Accounting and Taxes, grade: 1,0, University of Bayreuth, course: A critical analysis of international financial reporting issues, 41 entries in the bibliography, language: English, abstract: The globalisation of capital markets is driving the increasing convergence of accounting standards worldwide. Recently, the progress toward attaining

a global financial reporting framework has accelerated, and many significant steps have been taken. The most important step is the formation of the International Accounting Standards Board (IASB), which replaced the International Accounting Standards Committee (IASC), as part of a comprehensive restructuring of the international accounting standard-setting organisation in March 2001. Since then the acceptance and adoption of International Accounting Standards/International Financial Reporting Standards (IAS/IFRS), hereafter referred to as IFRS, has been growing rapidly. From 01 January 2005 all publicly traded European companies shall account for their consolidated accounts according to IFRS. In accordance with § 292a German Commercial Code (Handelsgesetzbuch,HGB)German parent companies may account for their consolidated accounts only according to international accepted accounting standards, according to prevailing opinion such are IFRS and the United States Generally Accepted Accounting Principles (USGAAP).Due to the Accounting Law Ref-ormation Act

(Bilanzrechtsreformgesetz,BilReG)all publicly traded German companies shall account for their group accounts according to IFRS from 01 January 2005 except those that are already applying US GAAP (from 01 January 2007). Furthermore all enterprises may account for their individual accounts according to IFRS in addition to German Commercial Code which still is obligatory for tax, and profit determination and distribution purposes. Due to the commitment of applying IFRS for consolidated accounts international financial reporting issues need to undergo a closer examination. This paper deals with the accounting for leases. First current lease accounting standards are described with a focus on IAS 17 and its key differences to US GAAP and German Commercial Code. Next proposed improvements on current lease accounting standards are dealt with, focussing on new approaches discussed in the accounting and lease literature and a possible treatment of leases with optional features. After this the proposed approaches' effect on profit determination and distribution is discussed. The final part offers a

conclusion to some of the issues raised in this paper.

Financial Accounting

Englisch-Deutsch/Deutsch-Englisch

Ebook: International Accounting

Consolidated financial statements in IAS/IFRS and German GAAP - Major differences explained

Financial Accounting and Equity Markets

The Accounting of Deferred Taxes under IFRS

Philip Brown is one of the most admired and respected accounting academics alive today. He was a pioneer in capital markets research in accounting, and his 1968 article, co-authored with Ray Ball, "An Empirical Evaluation of Accounting Income Numbers," arguably had a greater impact on the course of accounting research, directly and indirectly, than any other article during the second half of the twentieth century. Since that time, his innovative research has focused on issues that bridge accounting and finance, including the relationships between net profit reports and the stock market, the long-run performance of acquiring firms, statutory sanctions and voluntary corporate disclosure, and the politics and future of national accounting standards to name a few. This volume brings together the greatest hits of Brown's career, including several articles that were published in out-of-the-way places, for easier use by students and researchers in

the field. With a foreword written by Stephen A. Zeff, and an introduction that discusses the evolution of Brown's research interests and explains the context for each of the essays included in the volume, this book offers the reader a unique look inside this remarkable 50-year career.

Essay aus dem Jahr 2011 im Fachbereich BWL - Rechnungswesen, Bilanzierung, Steuern, , Sprache: Deutsch, Abstract: Once a founder complies with their commitment to initial contribution in the form of contribution in kind, a question arises about valuation of this in-kind contribution. Given the principle of continuity in fiscal statements between initial balance sheet and future annual statements, valuation of such in-kind contributions needs to refer to provisions of commercial law. However, §§ 242 and 253 of German Commercial Code (HGB) only provide general guidelines to refer in the measurement of in-kind contributions at enterprise formation to acquisition costs, which gives rise to the term of notional acquisition cost. With the regulation gap this leaves, the in-kind contributions can essentially be measured freely under common provisions. The values notional acquisition cost may assume range from fair value as maximum limit to the lower issue price of the shares subscribed as far as hidden reserves have been created. The author undertakes a comparison of the aims in financial reporting to HGB and IFRS respectively in as far as relevant to valuation of the in-kind contributions, explores the different views on the scope of notional acquisition cost and extracts from the aims of financial reporting to the core question about the essential allowability of hidden reserves in initial balance sheet the key

decision making criterion to refer to in valuation of the in-kind contributions. The descriptive exploration of the different views in existing sources as to the scope of notional acquisition costs and the comparative analysis of pertinent provisions of HGB and IFRS respectively give rise to the author's conclusion and requirement to valuate the in-kind contributions at fair value.

This research monograph critically examines convergence of financial reporting in Germany by taking into account the influence of political, social and economic factors on accounting. This study makes an original and significant contribution by examining issues and biases in the convergence process that may challenge the assumption of superiority, Financial accounting theory has numerous practical applications and policy implications, for instance, international accounting standard setters are increasingly relying on theoretical accounting concepts in the creation of new standards; and corporate regulators are increasingly turning to various conceptual frameworks of accounting to guide regulation and the interpretation of accounting practices. The global financial crisis has also led to a new found appreciation of the social, economic and political importance of accounting concepts generally and corporate financial reporting in particular. For instance, the fundamentals of capital market theory (i.e. market efficiency) and measurement theory (i.e. fair value) have received widespread public and regulatory attention. This comprehensive, authoritative volume provides a prestige reference work which offers students, academics, regulators and practitioners a valuable resource

containing the current scholarship and practice in the established field of financial accounting theory.

Wörterbuch IFRS

Structuring the Transition Process

Empirical Value Relevance of German Gaap and IFRS.

Needs, effects and consequences for the group

IFRS Vs German GAAP

Comprehensive Comparison Between IFRS Et German GAAP

Seminar paper from the year 2016 in the subject Business economics - Accounting and Taxes, grade: 81%, University of South Wales, language: English, abstract: The report aims to analyse the opportunities, negative impacts and limitations of adopting IFRS for German SMEs. At first, a classification of SMEs in Germany is given and their current situation is demonstrated. The next passage critically analyses the impact of an introduction of IFRS for SMEs in Germany. The analysis includes investigating if the effect varies in different crucial business factors of SMEs as well as their company type. At last, the results are summarised and recommendations are given.

This study examines financial reporting quality (FRQ) effects around IFRS adoptions of German private firms across two important dimensions, earnings quality and disclosure practices. To capture differences in the motivations for IFRS adoptions, we identify four different types of adopting firms based on a comprehensive set of firm characteristics. We observe earnings quality improvements around IFRS adoptions primarily for one type of firms, *which are young, fast growing and seeking access to public equity markets. Using a matched sample of private German GAAP and IFRS reporting firms, we find some evidence suggesting that IFRS also contribute to higher earnings quality. Recognizing that our earnings quality metrics are only incomplete measures of FRQ, we also compare the disclosure practices of IFRS and German GAAP firms. We find that all IFRS firm types disclose significantly more information in their financial reports and show a higher propensity to voluntarily publish their financial reports on the corporate website. Our findings indicate that failure to identify earnings quality changes around IFRS adoption cannot be automatically interpreted as IFRS adoption having no effect on the FRQ of (private) firms. Collectively, our results suggest that both incentives and accounting standards shape private firms' FRQ.*

Seminar paper from the year 2010 in the subject Business economics - Accounting and Taxes, grade: 1.7, Glynd?r University, Wrexham known as NEWI (School of Business), course: Financial reporting, language: English, abstract: It can be said that there is a strong movement towards global harmonization of accounting standards despite various national GAAP, particularly German, being substantially different. There are already great successes achieved, such as IAS adoption in EU and Australia, however, there is still considerable work that has to be done in order to not only impose international standards but also achieve better compliance and interpretation. With regard to Germany, reasonable attempts have been made to adopt IAS, however, there are many transition difficulties due to great discrepancies between IAS and HGB which need to be addressed in order to achieve successful transition.

Every German student of business administration needs to have a basic understanding of accounting according to German GAAP, and thanks to globalization many courses about

German accounting are nowadays held in English to improve the language skills of the students. In addition many foreign subsidiaries of German companies have to prepare their part of consolidated financial statements according to German GAAP. So far, these professionals can rely on German literature only. The first part of the book offers a compact introduction to financial statements according to German GAAP, the second part comprises exercises on individual topics with solutions and case studies for in-depth and effective learning. This introduction provides ideal support for German-speaking students taking Englishspeaking lectures in the field and is furthermore valuable for professionals looking for explanations when preparing the data for consolidated financial statements. Includes exercises and case studies for practice Ideal textbook for students of German Universities attending English-speaking lectures in financial management Ideal introduction for professionals with a succinct explanation and additional support with a glossary and vocabulary

Potential Benefits And Limitation Of Adopting The IFRS For Germany

Similarities and Differences: IFRS and German GAAP

Voluntary Implementation of IFRS in German Non-Listed Companies

Principles of Group Accounting under IFRS

Introduction to German GAAP with exercises

The Case of Germany

A professional perspective to implementing IFRS 10, 11, and12 The new International Financial Reporting Standards (IFRS) 10,11, and 12 are changing group accounting for many businesses. Asbusiness becomes increasingly global, more and more firms will needto transition using the codes and techniques described inPrinciples of Group

Accounting under IFRS. This book is apractical guide and reference to the standards related toconsolidated financial statements, joint arrangements, anddisclosure of interests. Fully illustrated with a step-by-step casestudy, Principles of Group Accounting under IFRS is equallyvaluable as an introductory text and as a reference for addressingspecific issues that may arise in the process of consolidatinggroup accounts. The new international standards will bring about significantchanges in group reporting, and it is essential for accountants,auditors, and business leaders to understand their implications.Author Andreas Krimpmann is an internationally recognized authorityon the transition from GAAP to IFRS, and this new text comespackaged with GAAP/IFRS comparison resources that will help makethe changes clear. Other bonus resources include an Excel-basedconsolidation tool, checklists, and a companion website with thelatest information. Learn about: Definitions, requirements, processes, and transition techniquesfor IFRS 10, 11, and 12 covering group level accounting Practical implementation strategies demonstrated through aclear case study of a midsize group Key concepts related to consolidated financial statements,joint ventures, management consolidation, and disclosure ofinterests Comparisons between GAAP and IFRS to clarify the requiredchanges for international firms Whatever stage of the consolidation process you are in, you willappreciate the professional perspective in Principles of GroupAccounting under IFRS.

International harmonization of accounting

A cross-country and cross-sector study

Applicaton of selected IFRS accounting and valuation options

A Comparison and Contrast of German and International Financial Reporting Issues.

Accounting for Pensions - IAS 19 Versus German Law
Fachwörterbuch Rechnungslegung Nach IAS/IFRS und HGB (German GAAP)